

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 18, Network Contracting Office (NCO) Big Spring, 707 East 3rd St., Big Spring, TX 79720, intends to enter into contract on behalf of the West Texas VA Health Care System (WTVAHCS), 300 Veterans Blvd., Big Spring, TX 79720, utilizing Justification for Other Than Full and Open Competition. Purchase request number 519-12-1-064-0007.
2. **Nature and/or Description of the Action Being Processed:** The WTVAHCS requires annual maintenance and repair services for the GE Muse System (Muse System). The government intends to enter into a new, firm-fixed-price contract with GE Medical Systems Information Technologies (GE Medical), Inc., 9900 Innovation Dr., Wauwatosa, WI 53226, for these services.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Correct function of the Muse System is vital to the performance of the WTVAHCS Radiology Department and to accurate patient care. The Muse System consists of multiple computer servers and acts as the communication channel between the GE EKG equipment and the government's Computerized Patient Record System (CPRS). The Muse System transfers patient testing information (EKG's, Stress Tests, and Holter Monitor Studies) into the CPRS system for review by the clinician. The period of performance is estimated to begin 09/15/2014 and is to consist of one (1) base period followed by up to four (4) option periods of a year each, to be exercised at the government's discretion.

Estimated Dollar Value: **Redaction**

Required Delivery Date: 09/15/2014

4. **Statutory Authority Permitting Other than Full and Open Competition:**

(x) Under the authority of FAR 13.5 – Test Program for Certain Commercial Items (41 U.S.C. 1901).

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The Muse System is a highly specialized computer system used to communicate between the GE EKG and the government's CPRS software. The Muse System was manufactured by GE Medical and is highly proprietary in relation to parts, software, electronic function, and trained service technicians. GE Medical is the sole manufacturer of, and the sole authorized government hospital distributor for, the Muse System, as is stated in writing from William Elliott, Government Contracts Director, GE Medical. Only GE Medical certified technicians have the access and expertise to provide maintenance to the system and GE Medical does not provide parts, training, or certifications to any third party contractors. Therefore, it is the determination of the Contracting Officer that GE Medical is the only responsible source capable of satisfying the government's minimum requirements, and no other supplies or services will satisfy Agency requirements.

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6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A sources sought noticed was issued from 05/16/2014 to 05/20/2014, under VA258-14-I-0521. One (1) response was received from industry. The Contract Specialist was contacted by Mr. Jack Jaimes, Federal Proposal Manager, Remi, Inc. Mr. Jaimes stated that Remi, Inc. holds GSA contract GS-21F-0093V, under FSS 03FAC – Facilities Maintenance and Management, category 811 006 – Facilities Maintenance and Management Consulting Services, and could provide the services in the form of a subcontractor relationship with GE Medical. Upon further discussions with Mr. Jaimes he stated that Remi, Inc. would not be able to provide the services, and declined to provide a formal offer.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Pricing was provided by GE and an analysis was conducted of standard pricing provided to industry (see eCMS briefcase P02). The contractor is offering a **Redaction** to the Government over industry for equivalent services. Comparison was also made to historical data from 10/01/2012. The rate of services purchased under NAC contract was **Redaction**. The new requirement includes additional non-muse related items, discounted at the same rate **Redaction**. It has been determined that the pricing is fair and reasonable based on compatible industry pricing and historical pricing.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market Research was conducted in accordance with FAR Part 10. All mandatory sources were identified in accordance with the requirements set forth in FAR 8.002(a)(2) Priorities for use of Government supply sources – Services. A large number of sources were queried including AbilityOne, Federal Supply Schedule (FSS) GSA schedules, Vetbiz, FedBizOpps, and internet resources. GE Medical was identified as holding GSA National Acquisition Center (NAC) contract V797P-2239D, under mandatory GSA schedule 65 II A – Medical Equipment and Supplies, category A-53 – ECG/EKG Apparatus. William Elliott, GE Government Contracts Director, was contacted concerning the GE Muse System and for information concerning maintenance and repair services. Per Mr. Elliott, maintenance and repair services for the Muse System are no longer available via NAC GSA contract and are now considered open market purchases. A sources sought noticed was issued from 05/16/2014 to 05/20/2014, under VA258-14-I-0521. One (1) response was received from industry. The Contract Specialist was contacted by Mr. Jack Jaimes, Federal Proposal Manager, Remi, Inc. Mr. Jaimes stated that Remi, Inc. holds GSA contract GS-21F-0093V, under FSS 03FAC – Facilities Maintenance and Management, category 811 006 – Facilities Maintenance and Management Consulting Services, and could provide the services in the form of a subcontractor relationship with GE Medical. Upon further discussions with Mr. Jaimes he stated that Remi, Inc. would not be able to provide the services, or subcontract services to GE Medical, and declined to provide a formal offer.

Therefore, based upon the extensive market research conducted, it is the determination of the Contracting Officer, that due to the proprietary nature of the parts and software, GE Medical is the only contractor capable of meeting the government's minimum requirements.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** GE Muse maintenance and repair services are no longer available through the FSS NAC schedule.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

GE Medical Systems Information Technologies, Inc.
9900 Innovation Dr.
Wauwatosa, WI 53226

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William Elliott, Government Contracts Director

Remi, Inc.
11325 North Community House Rd., Suite 300
Charlotte, NC 28277
Jack Jaimes, Federal Proposal Manager

11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: At this time the agency has no mode of removing or overcoming barriers to competition because the requirements listed are proprietary to GE Medical Systems Information Technologies, Inc.
12. Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Redaction

Daniel Martin
Projects Supervisor, Acting Chief Engineering Service
WTVAHCS

7/30/14

Date

13. Approvals in accordance with FAR 13.501

- a. Contracting Officer's Certification (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Redaction

Michael J. Tusinger
Contracting Officer
NCO 18

8/20/14

Date

- b. NCM/PCM (Required \$3K and above): I certify the justification meets requirements for other than full and open competition.

Redaction

for Sabrina J. Smith
Director of Contracting
NCO 18

8/21/14

Date